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Viet Nam

# 33 Coastal Communication System Project

This project was designed to respond to multiple international conventions related to marine transportation and to promote safe and efficient shipping by installing radio stations and satellite telecommunication facilities for ships, and thereby stimulate industry overall via the shipping industry.


**Loan Amount/Disbursed Amount:** 1,997 million yen/1,824 million yen
**Loan Agreement:** March 1997
**Terms and Conditions:** Interest rate, 2.3%; Repayment period, 30 years (grace period, 10 years); General untied
**Final Disbursement Date:** September 2002
**External Evaluator:** Mitsue Mishima, (OPMAC, Ltd.)
**Field Survey:** June 2003

## Evaluation Result

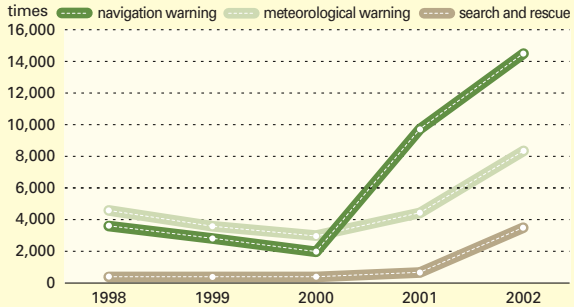
In this project, the radio stations for GMDSS (Global Marine Distress and Safety System), radio stations for small boats, and the satellite telecommunications facilities were installed almost as planned. The project period was extended considerably beyond the planned period due to alterations in the method of hiring consultants, etc., but the project cost was basically according to plan. Through this project, Vietnam was able to fulfill the requirements of SOLAS (Int 'l Convention for the Safety of Life at Sea) and SAR (Int 'l Convention on Maritime Search and Rescue). Accidents involving large ship nationwide fell from 117 cases in 1999 to 92 cases in 2002, and among these, accidents due to natural disasters decreased from 9 cases in 1999 to zero in 2002. Search and rescue communications with small boats nationwide increased from 10 cases in 2000 to 23 cases in 2002. The communications area was also expanded in areas where radio stations for small boats were installed, from 15 km from shore to 100 km - 200 km from shore. The number of communications concerning navigation warnings, meteorological warnings, and search and rescue also increased from approximately 7,000 in 1999 to approximately 25,000 in 2002. This project also contributed to the stimulation of the shipping industry, with the number of ships arriving in the nation 's ports rising from approximately 23,000 in 1998 to approximately 54,000 in 2002, the port freight volume growing from approximately 57 million tons to approximately 100 million tons during the same period, and the passenger volume increasing from 48,000 persons to 311,000 persons during the same period. In the beneficiary study, over 90% of respondents stated that "the rate of communications completed and the audio quality of ship radio communications increased, and safety was improved." There are no problems in the technical capacity, operation and maintenance system, or financial condition of VISHIPEL (Vietnam Maritime Ship Communication and Electronic Company), which is in charge of operation and management of this project and a lower branch in the organization of the Viet Nam National Maritime Bureau (VINAMARINE), which is the executing agency.

## Third-Party Evaluator's Opinion

The project has helped to strengthen marine security and support marine related industries (marine transportation, oil and gas exploration and production, and fishing, etc). In order to increase further the effectiveness of the project, the Government of Vietnam should encourage fishing boats to be equipped with sufficient communication facilities.

**Third-Party Evaluator:** Mr. Tran Xuan Gia
Obtained a doctorate in economics from Plekhanow University. Presently holds the post of Chairman of the Prime Minister 's Research Commission on Economic, Social, and Administative Reform, specializing in national policy.

**Number of Communications by Content**




Source: VISHIPEL

Following the completion of the project, the number of communications concerning navigation warnings, meteorological warnings, and search and rescue grew sharply. The number of communications amounted to approximately 7,000 in 1999 and rose to approximately 25,000 in 2002.

Staff at the Danang Station (class 2) checks all types of information, including navigation warnings, collected via the GMDSS radio stations installed by this project.

The GMDSS radio installed at the Danang Station (class 2). No matter where in the ocean a ship has a mishap, swift and sure rescue requests are possible by using satellite telecommunication technology and digital communication technology.